



**CITY OF LODI
COUNCIL COMMUNICATION**

TM

AGENDA TITLE: Adopt Resolution Supporting the *Local Taxpayers and Public Safety Protection Act*, the November 2004 Ballot Initiative Cosponsored by the League of California Cities, Designed to Increase Local Control Over Tax Dollars

MEETING DATE: December 17, 2003

PREPARED BY: Janet S. Keeter, Deputy City Manager

RECOMMENDED ACTION: That Council Adopt a Resolution Supporting the *Local Taxpayers and Public Safety Protection Act*, the November 2004 Ballot Initiative Cosponsored by the League of California Cities, Designed to Increase Local Control Over Tax Dollars.

BACKGROUND INFORMATION: For more than a decade, the California State Legislature has been taking away increasing amounts of local tax dollars that local governments use to provide community services such as police and fire protection, parks and recreation, libraries, and administrative functions. The State has been taking away billions in local tax dollars each year forcing local governments to either raise local fees or taxes to maintain services, or cut back on critically needed services.

The proposed ballot initiative *Local Taxpayers and Public Safety Protection Act* would increase local control over local tax dollars. This measure would let the voters have the final say on proposed actions by the State Legislature that would further reduce local government funding or shift more costs to local government.

What this measure does:

- Requires voter approval before the Legislature can reduce local government revenues or take them for state, rather than local purposes.
- Ensures that local tax dollars are available to fund local services like police and fire, emergency and trauma care, parks, roads, libraries and water delivery.
- Makes it absolutely clear that if the State Legislature mandates that local governments provide new or expanded programs and services, then the State would have to reimburse local governments for the cost of these programs.
- Provides flexibility for State budgeting decisions, but requires voter-approval on any future State Legislative actions that would reduce funding for essential local services.

What this measure DOES NOT do:

- Raise taxes.
- Increase funding to local governments.
- Reduce funding that schools receive from local property taxes or funding that schools receive from the State.
- Reduce funding for other State programs like schools or highways.

APPROVED:

Janet S. Keeter, City Manager

Debbie Olson, League of California Cities, will brief the Council during the December 17th Council meeting regarding the League's ballot initiative activities.

FUNDING: Not Applicable



Janet S. Keeter
Deputy City Manager

cc: Debbie Olson, League of California Cities

RESOLUTION NO. 2003-248

A RESOLUTION OF THE LODI CITY COUNCIL
SUPPORTING A STATEWIDE BALLOT INITIATIVE
TO REQUIRE VOTER APPROVAL BEFORE STATE
GOVERNMENT MAY TAKE LOCAL TAX FUNDS

=====

WHEREAS, state government annually seizes over \$800 million in city property tax funds (ERAF) statewide, costing cities over \$6.9 billion in lost revenues over the past 12 years and seriously reducing resources available for local public safety and other services; and

WHEREAS, in adopting the state budget this year the Legislature and Governor appropriated local vehicle license fee backfill and redevelopment property tax funds that are needed to finance critical city services such as public safety, parks, street maintenance, housing and economic development; and

WHEREAS, the deficit financing plan in the state budget depends on a local property and sales tax swap that leaves city services vulnerable if the state's economic condition fails to improve; and

WHEREAS, the adopted state budget assumes an ongoing structural budget deficit of at least \$8 billion, putting city resources and services at risk in future years to additional state revenue raids; and

WHEREAS, it is abundantly clear that state leaders will continue to use local tax funds to balance the state budget unless the voters limit the power of the Legislature and Governor to do so; and

WHEREAS, the voters of California are the best judges of whether local tax funds should be diverted, confiscated, shifted, or otherwise taken to finance an ever-expanding state government; and

WHEREAS, the General Assembly of Voting Delegates of the League of California Cities, at its September 10, 2003 meeting, voted to sponsor a statewide ballot initiative to empower the voters to limit the ability of state government to confiscate local tax funds to fund state government; and

WHEREAS, the League has requested that cities offer support for a November 2004 ballot initiative that will allow voters to decide whether state government may appropriate local tax funds to fund state government operations and responsibilities.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lodi that the City hereby expresses its strong support for a statewide ballot initiative to allow voters to decide whether local tax funds may be taken, confiscated, shifted, diverted, or otherwise used to fund state government operations and responsibilities; and

BE IT FURTHER RESOLVED that the City Council and staff are authorized to provide impartial informational materials on the initiative as may be lawfully provided by the City's representatives. No public funds shall be used to campaign for or against the initiative; and

BE IT RESOLVED FURTHER that the residents of the City of Lodi are encouraged to become well informed on the initiative and its possible impacts on the critical local services on which they rely; and

RESOLVED FURTHER that the City Manager and/or City Clerk are hereby directed to send a copy of subject Resolution to the Executive Director of the League of California Cities.

Dated: December 17, 2003

=====

I hereby certify that Resolution No. 2003-248 was passed and adopted by the City Council of the City of Lodi in a regular meeting held December 17, 2003, by the following vote:

AYES: COUNCIL MEMBERS – Beckman, Hitchcock, Howard, Land, and Mayor Hansen

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None


SUSAN J. BLACKSTON
City Clerk